vading the hunting grounds of the actuaries and had no chance against them. The Board continued to defend the original program. As time went on, however, the whole plan was revised and amended by Congress. The theory of individually purchased policies and huge reserves was abandoned in favor of a sound plan to finance benefits on a pay-as-you-go basis, with modest reserves for a transition period and a rough adjustment of benefits to the wage level of the beneficiaries before their retirement.

I was no longer with the Social Security Administration when the program took its present shape, but, observing its evolution, I found a new confirmation of my theory on the ways of progress in this country. Everything begins with confusion (as in the discovery of the New World by Columbus); at that stage no logical argument can clear up the problem; but step by step things become clearer until a point is reached when no argument can make the original absurd situation appear sensible. Then comes change.

My work on problems of manpower, employment, and unemployment was more successful than my desperate attempt to change the old-age insurance program. Here I worked with Ewan Clague, later Commissioner of the Bureau of Labor Statistics. In the field of research, he was guided wholly by the desire to get the facts and find out what they meant, without any concern as to whether the findings would please or displease labor, management, or politicians. He was an excellent public relations man and inspired confidence and goodwill in everyone with whom he came in contact. Using materials developed in his organization, he was scrupulous in giving credit to his associates, sometimes even crediting them with his own ideas. Association with him is one of the most pleasant memories of my work with the government.

I saw eye to eye with Clague in appraising the existing unemployment insurance system, which leaves almost complete freedom to the states in planning and running their programs. Since its inception this system had been severely criticized as illogical and impractical. Though I considered that unemployment was a national problem and could be handled most efficiently on a national scale, nevertheless I felt that the system established in the original Social Security Act could operate smoothly enough and had certain advantages over a streamlined, nationwide program. Under a uniform national program, I thought, the size and duration of benefits would necessarily be determined by conditions prevailing in low-wage, socially backward states—not necessarily the most backward but those below the national average. In contrast, the present system favors improvement of the standards in the industrially developed states with strong labor unions and comparatively high wage rates.